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BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
OF THE STATE OF CALIFORNIA

In the Matter of:) NMLS NO. 177599
THE COMMISSIONER OF BUSINESS)
OVERSIGHT,)
) STATEMENT OF ISSUES
Complainant,)
)
v.)
)
KEVIN DANIEL CASPER,)
)
Respondent.)
)
)
)
)

Complainant, the Commissioner of Business Oversight (“Commissioner”) is informed and believes, and based upon such information and belief, alleges and charges Kevin Daniel Casper (“Casper”) as follows:

I

Introduction

1. Pursuant to Financial Code sections 50141 and 50327, the Commissioner seeks to

1 deny the issuance of a Mortgage Loan Originator (“MLO”) license to Casper on the grounds that
2 Casper: (1) has been convicted of a felony involving an act of fraud, dishonesty, a breach of trust, or
3 money laundering; (2) has had MLO licenses revoked in other governmental jurisdictions; (3) has
4 altered court records and made untrue statements during the course of licensure with the intent to
5 impede, obstruct, or influence the administration or enforcement of the law governing mortgage loan
6 originators in California; and (4) has not demonstrated such financial responsibility, character, and
7 general fitness as to command the confidence of the community and to warrant a determination that
8 he will operate honestly, fairly, and efficiently.

9 II

10 The Application

11 2. On or about September 6, 2011, Casper filed an application for a MLO license with
12 the Commissioner (file number 177599; hereinafter “application”) pursuant to the California
13 Residential Mortgage Lending Act (“CRMLA,” Fin. Code § 50000 et seq.).

14 3. The application was submitted through the National Mortgage Licensing System
15 (“NMLS”) on the MU4 form. Based on representations and documents provided by Casper, the DBO
16 approved his MLO license, on or about December 22, 2011.

17 4. Casper also submitted MU4 forms to the DBO to renew his MLO license, on
18 September 25, 2013 and October 8, 2014.

19 5. Casper provided untrue statements on his original and renewal MU4 forms.

20 6. Casper denied having been convicted of any felony involving acts of dishonesty.
21 Documents obtained by the DBO revealed that Casper had been convicted of a felony conviction of
22 Theft of Property.

23 7. Casper also denied that he had any license revoked in other governmental
24 jurisdictions. The DBO discovered that Casper’s MLO licenses in Florida, Washington and Oregon
25 had been revoked.

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III

Criminal Conviction

8. Pursuant to Financial Code section 50141(a), subdivision (2), the Commissioner shall deny an application for a MLO license, if the applicant has been convicted of a felony, at any time preceding the date of application, if such felony involved an act of fraud, dishonesty, a breach of trust, or money laundering. The Commissioner may consider the underlying crime, facts, or circumstances of an expunged or pardoned felony conviction when determining the eligibility of an applicant for licensure.

9. The DBO conducted a criminal background check and discovered that Casper had been convicted of felony offenses involving acts of dishonesty, in Georgia and Tennessee.

10. Casper had been charged with two counts of Forgery in the First Degree and one count of Theft by Taking in Catoosa County, Georgia. Casper pled guilty to felony offenses of Forgery, on or about March 17, 2000. The court discharged the charges against Casper as a complete exoneration without adjudication of guilty because of his First Offender Status, on December 30, 2010.

11. On or about November 1, 2002, Casper was convicted of a felony offense of Theft of Property in Hamilton County, Tennessee.

IV

Revocation of MLO Licenses by Other Governmental Jurisdictions

12. Pursuant to Financial Code section 50141(a), subdivision (1), the Commissioner shall deny an application for a MLO license, if the applicant has had a MLO license revoked in any governmental jurisdiction.

13. The DBO discovered that Casper's MLO licenses in Florida, Washington and Oregon had been revoked.

14. The State of Florida, Office of Financial Regulation, found that Casper made a material misrepresentation, and made or used a false writing or document in his initial license application relating to his criminal felony convictions. On or about June 9, 2014, the State of Florida Office of Financial Regulation issued a final order revoking Casper's MLO license in Florida and imposing a fine of \$1,000.00.

16. The Oregon Department of Consumer and Business Services found that Casper knowingly made false representations on his MLO application regarding his criminal history in Georgia and Tennessee. Casper's criminal felony convictions are a material part of the MLO license application in Oregon. Dishonesty is an essential element of theft of property. The Oregon Department of Consumer and Business Services issued an order revoking Casper's MLO license, on or about July 25, 2014.

False Statements

17. Pursuant to Financial Code section 50512, it is unlawful for any person to knowingly alter, falsify or make a false entry in any record, or make an untrue statement to the Commissioner during the course of licensing or examination with the intent to impede, obstruct, or influence the administration or enforcement of any provision of the CRMLA.

18. Casper submitted an application on-line through the MU4 filings to the DBO, on or about September 6, 2011, and submitted renewal MU4 filings, on or about September 25, 2013 and October 8, 2014.

19. The “Criminal Disclosure” section of MU4 filings includes the following question: “Have you ever been convicted or pled guilty . . . in a domestic, foreign, or military court to any felony?” Casper answered “No” to this question on the MU4 filings.

20. The DBO conducted a criminal background check and discovered Casper's felony convictions. On or about September 9, 2011, the DBO requested Casper to provide certified copies of the final dispositions of the criminal cases, submit an amended MU4 correcting his response to the "Criminal Disclosure" question, and explain the reason the question was answered incorrectly.

21. In his response to the DBO's request and referring to the Georgia forgery conviction,

1 Casper stated that he had “only been in trouble one time in my entire life, wrong place – wrong time,”
2 and that his criminal conviction had been expunged. Casper also provided the DBO with a copy of
3 court documents showing that he had pled guilty to “misdemeanor” offenses of Forgery.

4 22. Certified copies of Casper’s criminal records from the State of Georgia, Catoosa
5 County Clerk’s Office, show that Casper pled guilty to felony offenses of Forgery, on or about March
6 17, 2000. Copies of court documents provided by Casper were altered and included the word
7 “misdemeanor” handwritten on Casper’s copy.

8 23. Referring to the Tennessee felony Theft of Property conviction, Casper stated that
9 “another guy by the name of Kevin Casper (NOT ME)” was arrested and convicted in Tennessee.

10 24. Casper provided the DBO with an altered copy of the Judgment from Tennessee
11 showing that his conviction was a “class A misdemeanor” – “Theft under \$500.” A certified copy of
12 the Judgement from the Criminal Court of Hamilton County, Tennessee shows that Casper was
13 convicted of a “class D felony” – “Theft over \$1000.”

14 25. In addition, the “Regulatory Action” section of MU4 filings includes the following
15 questions: “Has any State or federal regulatory agency . . . found you have made a false statement or
16 omission or been dishonest, unfair or unethical?” “Has any State or federal regulatory agency . . .
17 revoked your registration or license?” Casper answered “No” to these questions on the October 2014
18 MU4 filing.

19 26. As stated above Florida, Washington and Oregon found Casper to be dishonest and
20 untruthful and had revoked his MLO licenses in 2014.

21 VI

22 Conclusion

23 The Commissioner finds, by reason of the foregoing, that Kevin Daniel Casper (1) has been
24 convicted of a felony involving an act of fraud, dishonesty, a breach of trust, or money laundering;
25 (2) has had his MLO licenses revoked in other governmental jurisdictions; (3) has altered court
26 records and made untrue statements with the intent to impede, obstruct, or influence the
27 administration or enforcement of the law governing mortgage loan originator in California; and (4)
28 has not demonstrated such financial responsibility, character, and general fitness as to command the

confidence of the community and to warrant a determination that he will operate honestly, fairly, and efficiently within the purposes of the CRMLA.

The findings set forth above each constitute grounds under Financial Code sections 50141 and 50327 to deny the issuance of a MLO license to Kevin Daniel Casper.

WHEREFORE, the Commissioner prays that the application for a mortgage loan originator license filed by Kevin Daniel Casper be denied.

Dated: April 30, 2015
San Diego, California

JAN LYNN OWEN
Commissioner of Business Oversight

By: _____
AFSANEH EGHBALDARI
Counsel
Enforcement Division